

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF COOLBROOK)	
UTILITIES, LLC AND FARMDALE SANITATION)	
DISTRICT FOR THE APPROVAL OF THE)	CASE NO.
TRANSFER OF A WASTEWATER TREATMENT)	2017-00215
PLANT TO FARMDALE SANITATION DISTRICT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO JOINT APPLICANTS

Coolbrook Utilities, LLC (“Coolbrook”) and Farmdale Sanitation District (“Farmdale Sanitation”) (collectively “Joint Applicants”), pursuant to 807 KAR 5:001, are to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person’s knowledge, information, and belief formed after a reasonable inquiry.

Joint Applicants shall make timely amendment to any prior response if they obtain information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which the Joint Applicants fail or refuse to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for their failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Joint Applicants shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Joint Application, Exhibit B, Articles of Organization for Coolbrook, and identify each member of Coolbrook and, for each member, state when the member acquired his or her interest in Coolbrook, and provide documentation of the same.

2. Refer to Franklin County Fiscal Court Ordinance No. 4, 2004 Series attached to the Joint Application as Exhibit D.

- a. Provide a copy of each Franklin County Fiscal Court ordinance or resolution pertaining to Farmdale Sanitation approved or passed since February 6, 2004.

b. Provide a copy of the minutes of the meeting at which the ordinance or resolution was approved.

3. Refer to the Agreement between Coolbrook and Farmdale Sanitation dated May 18, 2017, and fully describe the process through which Coolbrook authorized the filing of a request for a transfer. Supply all related business records that document the authorization.

4. State whether the Coolbrook system is located within the boundaries of Farmdale Sanitation.

5. For Farmdale Sanitation, describe the following:

a. Farmdale Sanitation's technical ability and resources to manage and operate the Coolbrook system, including, but not limited to, its employment of or contractual arrangement for a qualified and certified operator for the system.

b. Farmdale Sanitation's financial ability and resources to manage and operate the Coolbrook system, including, but not limited to, available funds, lines of credit, loans, grants, or other financial support.

c. Farmdale Sanitation's management ability and resources to manage and operate the Coolbrook system.

6. Refer to the Joint Applicants' Notice of Filing of Operation and Maintenance Agreement filed with the Commission on June 9, 2017.

a. What certifications and licenses are required by the state of Kentucky to operate and maintain a Wastewater Treatment Plant ("WWTP") and collection system such as Coolbrook?

b. State whether Professional Wastewater Services, LLC has all of the required certifications and licenses required by the state of Kentucky to operate and maintain a WWTP and collection system such as Coolbrook, and provide a copy of each document.

7. *The Annual Report of Coolbrook to the Public Service Commission for the Year Ended December 31, 2015* ("2015 Annual Report") at page 13 of 44 does not contain an end-of-year balance amount for customer deposits.

a. Confirm that Coolbrook is not holding any customer deposits.

b. If Coolbrook is holding any customer deposits, state the monetary amount that is being held, and whether Coolbrook will return the deposits that it holds, transfer the deposited funds to Farmdale Sanitation, or apply or transfer the funds to another use. If the deposits will be applied for another use, then identify the other use.

8. Reference the Application, page 3, Item 4, which states, "Farmdale Sanitation will have the obligation to provide sanitary sewer services to its customers after the closing."

a. State the number of customers currently served by Farmdale Sanitation, and state the rates that Farmdale Sanitation charges its customers. Provide a copy of a rate schedule.

b. State the number of customers currently served by Coolbrook, and the current rate that is charged.

c. State the rates that will be charged to all current Coolbrook customers upon completion of the transfer to Farmdale Sanitation.

d. State how the Joint Applicants will provide notice of the transfer to the customers served by the Coolbrook system.

9. Refer to the Application, Exhibit A, Assets Purchase Agreement.

a. State whether Farmdale Sanitation intends to continue to operate the Coolbrook WWTP upon successful transfer of the assets.

b. If the response to Item 8.a. is no, state the manner in which Farmdale Sanitation intends to treat the effluent created by the Coolbrook system.

c. If Farmdale Sanitation does not intend to continue to operate the WWTP, describe the process for decommissioning the WWTP, and provide a time estimate for when this work will be completed.

10. Does Coolbrook have any current notice of violations issued by the Energy and Environment Cabinet ("EEC") or the Kentucky Division of Water ("DOW")? If so, provide copies of each outstanding violation and explain how the violations will be resolved.

11. Provide documentation of any communications between the Joint Applicants and the EEC or DOW regarding the Joint Application.



Talina R. Mathews
Executive Director
Public Service Commission
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DATED JUN 22 2017

cc: Parties of Record

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